

IFC approves US\$120 million loan for Olam to expand food processing and opportunities for small-scale farmers

Singapore, August 28, 2013 – IFC, a member of the World Bank Group, and Olam International, a global integrated supply chain manager and processor of agricultural products, have signed a five-year US\$120 million loan agreement to finance upgrades and expansion of five food processing facilities in Nigeria and India. The projects will benefit local communities by generating rural employment and creating new market opportunities for smallholder farmers to sell their crops.

IFC financing will support the following facilities operated by Olam:

- Hemarus sugar milling, Kolhapur, India (upgrade)
- Spice processing, Cochin, India (upgrade)
- Crown Flour Mill, Lagos, Nigeria (expansion)
- Mechanical cashew processing, Illorin, Nigeria (new)
- Sesame hulling, Lagos, Nigeria (new)

The Crown Flour Mill in Nigeria will process imported wheat into flour for domestic bakers. The remaining four facilities will integrate by 2015 more than 45,000 small-scale farmers from surrounding regions into Olam's supply chains by allowing them to supply their crops directly to the processing units, thereby guaranteeing a market for their products.

“Our partnership with IFC reiterates Olam's continued focus of enabling economic prosperity and social and environmental sustainability throughout Olam's operations,” said A. Shekhar, Olam's Executive Director for Finance and Business Development. “IFC's rigorous environmental and social review has been focused on the five processing facilities to ensure they meet IFC's stringent loan criteria. However, IFC has also reviewed a range of Olam's policies, procedures and management initiatives that apply throughout our supply chain and we will continue to build on these best practices in line with The Olam Sustainability Standard.”

Atul Mehta, IFC Director for Global Manufacturing, Agribusiness and Services added: “Olam is a critical link between small farmers, businesses and global markets. It is a supply chain manager and partner for leading multinational corporations and recognised brands – all of whom looking to improve traceability of their sourcing and address sustainability issues in their supply chains.”

IFC's agribusiness strategy aims to promote food security, inclusive growth, and environmental and social sustainability in agricultural supply chains. IFC works with supply chain integrators to provide small farmers and rural businesses with access to finance, access to inputs like equipment and seeds, advice and extension services, and access to markets. In fiscal year 2013, IFC invested US\$4.5 billion.

Olam is a leading global supplier for multiple agricultural commodities like cocoa, sesame, and cashew nuts, which are primarily produced by smallholder farmers. The company sources from over 3.5 million farmers and is a major investor in agribusiness in Africa and Asia, including some of the poorest countries in those regions.

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The Environmental & Social Review Summary can be found on the IFC website [here](#) and on the Olam website [here](#).

About IFC

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector. Working with private enterprises in more than 100 countries, we use our capital, expertise, and influence to help eliminate extreme poverty and promote shared prosperity. In FY13, our

investments climbed to an all-time high of nearly US\$25 billion, leveraging the power of the private sector to create jobs and tackle the world's most pressing development challenges. For more information, visit www.ifc.org.

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About Olam International Limited

Olam International is a leading global integrated supply chain manager and processor of agricultural products and food ingredients, supplying various products across 16 platforms to over 12,300 customers worldwide. From a direct presence in more than 65 countries with sourcing and processing in most major producing countries, Olam has built a global leadership position in many of its businesses, including Cashew, Spices & Vegetable Ingredients, Cocoa, Coffee, Rice, Cotton and Wood Products. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 largest listed companies in Singapore in terms of market capitalisation and is a component stock in the Straits Times Index (STI), MSCI Singapore Free, S&P Agribusiness Index and the DAXglobal Agribusiness Index. Olam is the only Singapore firm to be named in the 2009, 2010 and 2012 Forbes Asia Fabulous 50, an annual list of 50 big-cap and most profitable firms in the region. It is also the first and only Singapore company to be named in the 2009 lists for the Global Top Companies for Leaders and the Top Companies for Leaders in the Asia Pacific region by Hewitt Associates, the RBL Group and Fortune. More information on Olam can be found at www.olamonline.com

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